



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240



February 23, 1999

Department of the Interior Acquisition Policy Release (DIAPR) 1999 - 4

**Subject: Small Business Competitiveness Demonstration Program
(SBCDP) Adjustment of Set-aside Policy**

1. **Purpose.** This policy release provides bureau and office contracting personnel with updated information regarding the SBCDP.
2. **Effective Date.** The instructions contained in this release are applicable to solicitations issued on or after March 1, 1999, and supersede previously issued changes in the Designated Industry Group (DIG) set-aside policy.
3. **Expiration Date.** March 1, 2000, unless superseded or canceled.
4. **Background and Explanation.** On December 2, 1997, the President signed the "Small Business Programs Reauthorization and Amendments Act of 1997" (Act), which among other changes, **extended the term of the SBCDP indefinitely**. To implement the new law, the Office of Federal Procurement Policy and Small Business Administration issued an interm policy directive providing guidance to agencies (see Attachment 1) .

A major change from the original test plan is that now agencies will monitor attainment of their small business participation goals and make adjustments in set-aside policy on an annual basis instead of quarterly. The fiscal year 1998 report on the Department of the Interior activity within the DIGs (Attachment 2) indicates that the dollar value of awards to small business:

1. Rose above the 35 percent goal in **Construction SIC code 1796** while continuing to exceed the goals in all other construction major groups;
2. Continued to exceed the 40 percent goal in the **Refuse Systems and Non-nuclear Ship Repair** groups;
3. Fell below the 35 percent goal in **Architectural and Engineering (A-E) Services product/service code C216**;
4. Remained below the 35 percent goal in **A-E services product/service codes C121, C211, C214, and C219 (SIC codes 8711, 8712 or 8713)**; and
5. Rose above the 35 percent goal in **A-E services product/services codes C111, C123, C129, and C212 (SIC codes 8711, 8712 or 8713)**.

For your ready reference, Attachment 3 provides a full description of SIC codes and PSCs affected by set-aside policy changes.

5. **Action Required.**

A. **Specific.** Small business set-aside policy within the Department is adjusted as follows:


<u>Category/Code</u>	<u>Set-aside Adjustment</u>
Construction SIC Code 1796	The Bureau of Reclamation (BOR) will reinstate the use of full and open competition.
A-E Services PSC C111	The National Park Service (NPS) will reinstate full and open competition.
A-E Services PSC C121*	The Fish and Wildlife Service (FWS) will continue using set-asides where possible.
A-E Services PSC C123	NPS will reinstate full and open competition.
A-E Services PSC C129	NPS and the Office of Surface Mining Reclamation & Enforcement (OSM) will reinstate full and open competition.
A-E Services PSC C211	The Bureau of Land Management will start using and NPS, BOR and the National Business Center will continue using set-asides.
A-E Services PSC C212	OSM and FWS will reinstate full and open competition.
A-E Services PSCs C214*	BOR will continue using set-asides.
A-E Services PSC C216	NPS will reinstate the use of set-asides where possible.
A-E Services PSC C219	FWS will start and the U.S. Geological Survey will continue using set-asides where possible; BOR will reinstate the use of full and open competition.

B. **General.** Where no instructions are specified above, bureaus and offices listed above shall use **full and open competition exclusively** for DIG procurements estimated to exceed the "Reserve Amount for Emerging Small Businesses."

Bureaus and Offices other than those listed above shall use full and open competition exclusively for all DIG procurements estimated to exceed the "Reserve amount for emerging small businesses."

Note: The Reserve Amount for A-E services continues to be \$50,000. Included in Attachment 2 is a copy of our report on the Targeted Industry Categories (TICs).

Please contact Frank Gisondi, Office of Small and Disadvantaged Business Utilization ((202) 208-4907), if you should have any questions regarding the SBCDP.


Debra E. Sonderman, Director
Office of Acquisition and Property
Management

Attachments

*** Because IPDS records indicate no awards were made in these codes in the reporting period, the "set-aside policy" from the previous DIAPR (1997-9) is carried over.**

SUPPLEMENTARY INFORMATION:**A. Background**

Congress established the Small Business Competitiveness Demonstration Program in 1988 to test the effectiveness of eliminating small business set-asides in certain industries. (See P.L. 100-656 the Small Business Competitiveness Demonstration Program Act of 1988 ("Act"), as amended, at 15 U.S.C. 644 note.) The program has two primary objectives: (1) to demonstrate whether or not small businesses in certain industry groups can compete successfully on an unrestricted basis for Federal contracts, and (2) to demonstrate whether or not targeted goaling and management techniques can expand Federal contract opportunities for small businesses in industry categories where such opportunities historically have been low despite adequate numbers of small business contractors in the economy. A separate program to expand small business participation in the dredging industry, to be overseen by the Department of the Army, was also included in the Act. As originally established, the Demonstration Program extended through December 31, 1992.

To implement the Program, Congress in Section 715(a) of the Act, authorized the OFPP Administrator to issue a test plan pursuant to Section 15 of the Office of Federal Procurement Policy Act (41 U.S.C. 413). In addition, in Section 715(b), Congress directed the OFPP Administrator, in cooperation with the SBA Administrator, to issue a policy directive (binding on all participating agencies) to ensure consistent government-wide implementation of the Act in the Federal Acquisition Regulation (FAR).

and implementation plan. In addition to making conforming revisions to reflect the amendments made by Congress in the 1997 Act, we also have made non-substantive revisions in various parts of the document, which are intended to improve its clarity. For ease of reading, we are re-issuing the interim policy directive and implementation plan in its entirety for comment.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
PROCUREMENT POLICY

SEP 21 1998

MEMORANDUM FOR: THE SECRETARY OF AGRICULTURE
THE SECRETARY OF DEFENSE
THE SECRETARY OF ENERGY
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF TRANSPORTATION
THE ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
THE ADMINISTRATOR OF GENERAL SERVICES
THE ADMINISTRATOR OF THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION
THE SECRETARY OF VETERANS AFFAIRS

SUBJECT: The Small Business Competitiveness Demonstration Program

1. Purpose. This memorandum provides policy direction to the participating agencies for implementation of the Small Business Competitiveness Demonstration Program Act of 1988 (Title VII, Public Law 100-656), as amended by Sections 23-27 of the Business Opportunity Development Reform Act Technical Corrections Act (Public Law 101-37), Sections 201 and 202 of the Small Business Credit and Business Opportunity Enhancement Act of 1992 (Public Law 102-366), Section 108 of the Omnibus Consolidation Appropriation Act of 1997 (Public Law 104-208), and Sections 401-405 of the Small Business Reauthorization Act of 1997 (Public Law 105-135).

2. **Authority.** This memorandum is issued pursuant to Section 715 of Public Law 100-656, which requires that the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA) issue a policy directive to ensure consistent government-wide implementation of Title VII in the Federal Acquisition Regulation (FAR); Section 202(i) of the Small Business Credit and Business Opportunity Enhancement Act of 1992 (Public Law 102-366), which requires appropriate modifications to the policy directive to conform to amendments made by that Act; Sections 401-405 of the Small Business Reauthorization Act of 1997 (Public Law 105-135), which further amends Title VII; and Section 15 of the Office of Federal Procurement Policy Act, 41 U.S.C. 413, which provides for the testing of innovative procurement methods and procedures.

3. **Background.** Section 15(a) of the Small Business Act mandates that small businesses receive a fair proportion of Federal procurements. To achieve this goal, Subpart 19.5 of the FAR requires that Federal agencies reserve, or set aside, procurements for exclusive small business participation when a contracting officer determines that two or more small businesses are capable of providing the goods or services at reasonable prices. While restricting procurements for exclusive small business participation has been very effective in assuring a small business share of Federal contracts, one unintended result is a concentration of awards in certain industries often dominated by small businesses. A further result is that agencies expend resources in those industries that are conducive to high levels of small business participation rather than expand the base of small business contracting into areas where small businesses do not traditionally obtain a significant share of procurement awards.

4. **Policy.** The goals of the Program are to assess the ability of small businesses in certain designated industry groups to retain a fair proportion of procurement awards in unrestricted competition in those industry groups and to expand small business participation in a broader range of industry categories. The Act designates the Small Business Administration as OFPP's executive agent to monitor the Program. The procedures for implementing the Program are set forth in the attached implementation plan.

5. **Implementation.** This policy directive shall be implemented in FAR Part 19. Pursuant to Section 715(a) of the Small Business Competitiveness Demonstration Program Act, provisions of the FAR that are inconsistent with this policy directive and the attached implementation plan are hereby waived.

6. **Expiration Date.** The Small Business Competitiveness Demonstration Program has no expiration date.

Signed

Deidre A. Lee
Administrator
Office of Federal Procurement Policy

Signed

Richard L. Hayes
Associate Deputy Administrator
for Government Contracting and
Minority Enterprise Development
Small Business Administration

**SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM
IMPLEMENTATION PLAN**

I. PURPOSE

This document implements the Small Business Competitiveness Demonstration Program Act of 1988 (Title VII, Public Law 100-656), as amended by Sections 23-27 of the Business Opportunity Development Reform Act Technical Corrections Act (Public Law 101-37), Sections 201 and 202 of the Small Business Credit and Business Opportunity Enhancement Act of 1992 (Public Law 102-366), Section 108 of the Omnibus Consolidation Appropriations Act of 1997 (Public Law 104-208), and Sections 401-405 of the Small Business Reauthorization Act of 1997 (Public Law 105-135). The Program seeks to assess whether or not the competitive capabilities of small business firms in certain industry groups will enable them to successfully compete on an unrestricted basis for Federal contracts. In addition, the Program attempts to assess whether or not the use of targeted goaling and management techniques by procuring agencies, in conjunction with the Small Business Administration (SBA), will expand small business participation in Federal contracting opportunities that have been historically low despite adequate numbers of qualified small business contractors in the economy. The Program further seeks to assess whether or not expanded use of unrestricted competition adversely affects small business participation in certain industry groups, taking into consideration the numerical dominance of small firms, the size and scope of most contracting opportunities, and the competitive capabilities of small firms.

II. AUTHORITY

The Program is established pursuant to the Small Business Competitiveness Demonstration Program Act of 1988 (Title VII, Public Law 100-656), Sections 201 and 202 of the Small Business Credit and Business Opportunity Enhancement Act of 1992 (Public Law 102-366), Sections 401-405 of the Small Business Reauthorization Act of 1997 (Public Law 105-135), and Section 15 of the Office of Federal Procurement Policy Act, 41 U.S.C. 413.

III. PROGRAM REQUIREMENTS

A. Applicability

1. The Program began on January 1, 1989 and consists of two major components: (1) unrestricted competition in four Designated Industry Groups, and (2) enhanced small business participation in agencies' ten Targeted Industry Categories. Contracts resulting from solicitations issued on or after January 1, 1989 and any subsequent modifications to such contracts, are covered by this Program.
2. Contract awards in the following designated industry groups are covered by this Program:
 - a. Construction under standard industrial classification (SIC) codes that comprise major groups 15, 16, and 17 (excluding dredging -- Federal Procurement Data System (FPDS) service codes Y216 and Z216);.
 - b. Refuse systems and related services, including portable sanitation services, under SIC code 4212 or 4953, limited to FPDS service code S205;

- c. Architectural and engineering (A&E) services (including surveying and mapping) under SIC codes 7389, 8711, 8712, or 8713 (limited to FPDS service codes C111 through C216, C219, T002, T004, T008, T009, T014, and R404), awarded under the qualification-based selection procedures required by 40 U.S.C. 541 et seq. (the "Brooks A-E Act"); and
 - d. Non-nuclear ship repair -- ship repair (including overhauls and conversions) performed on non-nuclear propelled and nonpropelled ships under SIC code 3731, limited to FPDS service codes J998 (repair performed east of the 108th meridian) and J999 (repair performed west of the 108th meridian).
3. Upon regulatory implementation by SBA and the FAR Council, the North American Industrial Classification (NAIC) Coding System will be substituted for SIC codes.
4. Targeted industry categories for enhanced participation are determined by each participating agency, in conjunction with SBA.
5. Contract awards under the Federal Schedule Program are not covered by the Program.
6. Contract awards to educational and non-profit institutions or governmental entities are not covered by the Program.

B. Participating Agencies

The following agencies are participants in the Program:

1. The Department of Agriculture,
2. The Department of Defense, except the National Imagery and Mapping Agency,
3. The Department of Energy,
4. The Department of Health and Human Services,
5. The Department of Transportation,
6. The Environmental Protection Agency,
7. The General Services Administration,
8. The National Aeronautics and Space Administration,
9. The Department of Veterans Affairs, and
10. The Department of the Interior.

C. Agency Goals for the Four Designated Industry Groups

1. Each participating agency shall have a small business participation goal that is 40 percent of the agency's total contract dollars awarded for construction major group 15, major group 16, and major group 17; A&E services; refuse systems and related services; and non-nuclear ship repair. The 40 percent goal applies to each construction major group. In addition, each participating agency must make a good faith effort to assure that emerging small businesses receive not less than 15 percent of the agency's total contract dollars awarded for each of the four designated industry groups.

2. The Small Business Competitiveness Demonstration Program Act of 1988 defines an emerging small business as one whose size is no greater than 50 percent of the numerical size standard applicable to the SIC Code assigned to the procurement. Subject to the requirements of paragraph III.D.3 below, contract opportunities in the four designated industry groups, which have an estimated award value equal to or less than the reserve amount established for emerging small businesses, are reserved for such businesses.

3. Contract awards made to fulfill the 15 percent goal for emerging small businesses also count toward attainment of the 40 percent goal. All prime contract awards to small businesses, including awards under section 8(a) of the Small Business Act; 10 U.S.C. 2323; section 7102 of the Federal Acquisition Streamlining Act of 1994; the HUBZone Act of 1997 (Title VI of the Small Business Reauthorization Act, Public Law 105-135); and sole source awards, count toward attainment of goals.

D. Procurement Procedures for the Four Designated Industry Groups

Participating agencies shall use the following procedures for procurements in the four designated industry groups.

1. Unrestricted Competition for Contracts in Excess of the Emerging Small Business Reserve Amount

a. Subject to the requirements of the Competition in Contracting Act of 1984 and section 4201 of the Federal Acquisition Streamlining Act of 1994, participating agencies are required to use unrestricted competition for all solicitations in the four designated industry groups, if the anticipated award value exceeds the dollar amount reserved for emerging small businesses (unless the procurement is placed under section 8(a) of the Small Business Act; or is set aside under 10 U.S.C. 2323, section 7102 of the Federal Acquisition Streamlining Act of 1994, or the HUBZone Act of 1997 (Title VI of the Small Business Reauthorization Act, Public Law 105-135). Each participating agency shall continue to use unrestricted competition as long as annual reviews show that the agency's 40 percent goal is being attained. The continued use of unrestricted competition is not affected by an agency's failure to meet its 15 percent award goals for emerging small businesses.

b. Notwithstanding the provisions of paragraph III.D.1.a., above, the Department of Defense shall solicit contracting opportunities for A&E services (including surveying and mapping), in accordance with the provisions of subsections (a) and (b) of section 2855 of title 10, United States Code.

2. Restricted Competition for Contracts in Excess of the Emerging Small Business Reserve Amount

a. If any participating agency's annual review of its awards to small businesses in the four designated industry groups shows that the agency has failed to attain its 40 percent goal for any of the groups, subsequent contracting opportunities, in excess of the amount reserved for emerging small businesses, shall be solicited through competition restricted to eligible small businesses only at the organizational unit(s) within the agency that failed to attain the small business participation goals.

(Organizational unit(s) shall be no larger than the major agency components or services, e.g., Army, Air Force, Navy, etc. for Department of Defense, regional offices for the General Services Administration, or space flight and research centers for the National Aeronautics and Space Administration.) Such solicitations (unless placed under section 8(a) of the Small Business Act or set aside under 10 U.S.C. 2323, section 7102 of the Federal Acquisition Streamlining Act of 1994, or the HUBZone Act of 1997 (Title VI of the Small Business Reauthorization Act, Public Law 105-135) shall be conducted in accordance with section 15(a) of the Small Business Act and Subpart 19.5 of the Federal Acquisition Regulation (FAR).

b. Agencies shall return to the use of unrestricted competition upon determining, after their annual review, that their contract awards to small business concerns again meet the required goals.

c. Modifications to agency solicitation practices (instituting restricted competition and reinstituting unrestricted competition) shall be made as soon as practicable, but

no later than 30 days following completion of the review indicating the need for such change. The reinstitution of restricted competition or unrestricted competition shall be announced to the public through a notice published in the Federal Register if restricted or unrestricted competition is to be reimposed broadly by a participating agency. "Special notices" in the Commerce Business Daily shall be used periodically to supplement such Federal Register notices, and may be used as an alternative means of providing such notices, if the reinstitution of restricted competition or unrestricted competition will affect only a limited number of buying activities.

3. Reserve Program for Emerging Small Businesses

a. The emerging small business reserve amount is \$25,000, or such higher amount as OFPP sets in the event that emerging small concerns are not receiving 15 percent of the total dollar value of contract awards in one or more of the four designated industry groups. The emerging small business reserve amount for architectural and engineering services is \$50,000 (56 Federal Register 46656, September 13, 1991). Any required adjustments to the emerging small business reserve amount will be made annually by industry group.

b. Competition for all contract opportunities in the four designated industry groups with an estimated award value that is equal to or less than the emerging small business reserve amount shall be restricted to emerging small businesses, provided that the contracting officer determines that there is a reasonable expectation of

obtaining offers from two or more responsible emerging small businesses that will be competitive in terms of market price, quality, and delivery. If no such reasonable expectation exists, requirements will be processed in accordance with FAR 19.5 or FAR 19.8. However, if no such reasonable expectation exists where OFPP has raised the small business reserve amount to a level over \$25,000, requirements over \$25,000 will be processed in accordance with paragraphs III.D.1 and III.D.2, above.

c. The use of simplified acquisition procedures is not required under the reserve program; any competitive source selection method may be used. The reserve program applies only to new awards within the emerging small business reserve threshold. Modifications within the scope of work of contracts having an initial award value in excess of the emerging small business reserve amount are not subject to the reserve program.

d. Each solicitation under the Program that utilizes simplified acquisition procedures shall include the applicable SIC code and size standard for the procurement.

4. Solicitation Provisions for Procurements in the Four Designated Industry Groups

a. The provision set forth in FAR 52.219-19 entitled "Small Business Concern Representation for the Small Business Competitiveness Demonstration Program" shall be inserted in full text in all solicitations issued by the participating agencies

under the Small Business Competitiveness Demonstration Program for the four designated industry groups.

b. The provision set forth in FAR 52.219-20 entitled "Notice of Emerging Small Business Set-Aside" shall be inserted in full text in all solicitations and resulting contracts restricted to emerging small businesses pursuant to paragraph III.D.3.

c. The face of each award issued by a participating agency under the Small Business Competitiveness Demonstration Program for the four designated industry groups shall contain a statement that the award is being issued pursuant to such Program.

E. Agency Programs for Targeted Industry Categories With Limited Small Business Participation

1. Each participating agency is required to select ten industry categories (four-digit SIC Code or some segmented portion(s) of such code(s), as identified by FPDS product or service code) as targeted categories for expansion of small business participation.

2. In order to achieve such expanded participation, agencies shall select categories that represent products and services purchased in substantial quantities by the agency; that historically have had a small business participation rate of less than 10 percent by

category, and in which there is a significant amount of small business productive capacity that has not been utilized by the Government.

3. Each participating agency shall consult with the Administrator of SBA in selecting the ten targeted categories, developing the plan for expanded small business participation, and establishing the goals for the Program. Upon completion of their consultation with SBA, participating agencies shall publish in the Federal Register, an announcement soliciting public comment on that agency's program for expansion of small business participation in the targeted categories. Each participating agency shall notify SBA of any additions or deletions to the ten targeted industry categories. Subsequent to the SBA notification, the participating agency shall publish the changes in the Federal Register.

4. Each plan shall be submitted to the Administrator of SBA and shall contain a detailed time-phased strategy with incremental goals, including reporting on goal attainment. To the extent practicable, provisions that encourage and promote teaming and joint ventures shall be included. These provisions should permit small business firms to effectively compete for contracts that individual small businesses would be ineligible to compete for because of lack of production capacity or capability. Such joint ventures or teams shall comply with the applicable small business guidelines. (See 13 C.F.R. §§121.103(f) and 121.105(b)).

5. Participating agencies shall report to SBA on the results of the expansion program regarding the ten targeted categories on the same annual schedule as required for the four designated industry groups.

6. Goal attainment for the ten targeted industry categories shall be determined on the basis of awards to U.S. business firms. Participating agencies may use the format in Attachment A to report accomplishments.

7. The provision set forth in FAR 52.219-21 entitled "Small Business Size Representation For Targeted Industry Categories Under the Small Business Competitiveness Demonstration Program" shall be inserted in full text in any solicitation issued in each of the ten targeted industry categories under the Small Business Competitiveness Demonstration Program that is expected to result in a contract award in excess of \$25,000.

8. The face of each award issued in any of the ten targeted industry categories under the Small Business Competitiveness Demonstration Program shall contain a statement that the award is being issued pursuant to such Program.

IV. MONITORING AND REPORTING FOR FOUR DESIGNATED INDUSTRY GROUPS

A. Monitoring of Goals for the Four Designated Industry Groups

1. Each participating agency shall monitor attainment of its small business and emerging small business participation goals on an annual basis and provide the information in a written report to SBA. The report shall specify the industry groups for which restricted or unrestricted competition have been imposed. Agencies shall complete their annual reviews and submit their reports not later than January 31 of each year, based on the data for the preceding fiscal year, from October 1 through September 30. The Department of Defense shall submit a report that separately identifies performance by the Army, Air Force, Navy and the Defense Agencies. The report submitted by the General Services Administration shall separately identify performance by the Public Building Service.

2. Monitoring and reporting of goal attainment will be based on awards (and any subsequent modifications to those awards) in the individual codes comprising the industry, as specified in paragraph IV.B., below.

3. Any necessary modifications to agency solicitation practices for the purpose of achieving the agency's small business participation goals (instituting restricted competition or reinstituting unrestricted competition) will be accomplished for each of the industry groups as follows:

- a. Construction (excluding dredging)
 - i. Major group 15
 - ii. Major group 16
 - iii. Major group 17
- b. Refuse systems and related services.
- c. A&E services (including surveying and mapping), limited to contracts awarded under the qualification-based selection procedures required by 40 U.S.C. 541 et seq. (the "Brooks A-E Act").
- d. Non-nuclear ship repair.

However, if goal attainment for any individual FPDS service code within the A&E services or non-nuclear ship repair industry groups falls below 35 percent, the agency shall reinstitute set-asides for that individual service code at the organizational unit(s) within the agency that failed to achieve the 35 percent goal, even if overall goal attainment in the industry group is 40 percent or more. In addition, if goal attainment for any individual SIC code within one of the major groups comprising the construction industry group falls below 35 percent, the agency shall reinstitute set-asides for that individual SIC code at the organizational unit(s) within the agency that failed to achieve

the 35 percent goal, even if overall goal attainment in the major group is 40 percent or more.

4. Agencies shall monitor goal attainment in the four designated industry groups by reviewing total prime contract award dollars to (a) all U.S. business firms, (b) small U.S. business concerns and (c) emerging small U.S. business concerns. Awards to educational and non-profit institutions or governmental entities are not part of the Program and do not count towards goal attainment.

5. SBA will closely monitor the Program to ensure that each participating agency makes a consistent effort to achieve goals evenly across all individual codes that comprise a designated industry group. Data shall be monitored using the format set forth at Attachment A.

6. All prime contract awards to small businesses, including awards under section 8(a) of the Small Business Act; 10 U.S.C. 2323; section 7102 of the Federal Acquisition Streamlining Act of 1994; the HUBZone Act of 1997 (Title VI of the Small Business Reauthorization Act, Public Law 105-135); and sole source awards, count toward attainment of goals.

B. Codes for Monitoring and Reporting Goal Attainment For the Four Designated Industry Groups

1. Refuse Systems and Related Services

The Small Business Competitiveness Demonstration Program Act of 1988 outlines the SICs that are included in the designated industry groups. However, in the area of refuse systems and related services, SIC codes 4212 and 4953 include services that should not be included in the Program. The Program is designed to assess small firms' competitiveness generally in procurements for the collection, transportation, and disposal of residential and nonhazardous commercial garbage, refuse, and waste materials. For example, contracts for the regular collection and disposal at publicly or privately operated landfills of residential and nonhazardous commercial solid waste, garbage, debris, or other refuse from military installations, federal office buildings, and other federal facilities, and garbage processing and recycling activities, should be included. Contracts for the operation of those facilities, collection and disposal of acid, radioactive, or other hazardous waste should not be included. Therefore, participating agencies shall use FPDS service code S205 (trash/garbage collection services - including portable sanitation services) to monitor goal attainment for refuse systems and related services.

2. Architectural and Engineering Services

- a. The Small Business Competitiveness Demonstration Act of 1988 provides that A&E services (including surveying and mapping) shall include contracts assigned SIC codes 8711, 8712, 8713, and 7389 (if identified as mapping), and awarded

under the qualification-based selection procedures required by 40 U.S.C. 541 et seq. (the "Brooks A-E Act"). Since SIC code 7389 includes many more services than mapping, participating agencies shall use the following FPDS service codes to monitor goal attainment for mapping services:

- T002 Cartography services
- T004 Charting services
- T008 Photogrammetry services
- T009 Aerial photographic services
- T014 Topography services

b. Participating agencies shall use the following FPDS service codes to monitor A&E services under SIC codes 8711, 8712, and 8713:

- C111 Administrative and Service Buildings
- C112 Airfield, Communication and Missile Facilities
- C113 Educational Buildings
- C114 Hospital Buildings
- C115 Industrial Buildings
- C116 Residential Buildings
- C117 Warehouse Buildings
- C118 Research and Development Facilities
- C119 Other Buildings
- C121 Conservation and Development
- C122 Highways, Roads, Streets and Bridges
- C123 Electric Power Generation (EPG)
- C124 Utilities
- C129 Other Non-Building Structures
- C130 Restoration
- C211 Architect - Engineer Services (non-construction)
- C212 Engineering Drafting Services
- C213 A&E Inspection Services (non-construction)
- C214 A&E Management Engineering Services
- C215 A&E Production Engineering Services
- C216 Marine A&E Services
- C219 Other Architect and Engineering Services
- R404 Land Surveys, Cadastral Services -- non construction

3. Non-nuclear Ship Repair

Non-nuclear ship repair is included within SIC code 3731. Since this SIC includes all ship repair as well as shipbuilding, participating agencies shall use the following FPDS service codes to monitor goal attainment for non-nuclear ship repair: J998 (Ship Repair, Including Overhauls and Conversions, Performed on Non-nuclear Propelled and Nonpropelled Ships East of the 108th Meridian) or J999 (Ship Repair, Including Overhauls and Conversions, Performed on Non-nuclear Propelled and Nonpropelled Ships West of the 108th Meridian).

4. Construction

Goal attainment for construction shall be monitored through the use of the SIC codes identified in Attachment A.

V. FPDS Data Collection Requirements

Participating agencies shall maintain and report procurement data to the Federal Procurement Data System (FPDS) in order to determine the level of small business participation in the four designated industry groups and the ten targeted industry categories for the small business expansion program.

A. Awards in Excess of \$25,000

For contract awards in excess of \$25,000, the FPDS (1) has information on the SIC code of the procurement and (2) can distinguish awards to small business concerns and small disadvantaged business concerns, as required by section 714(c) of the Small

Business Competitiveness Demonstration Program Act of 1988. However, for purposes of the Program, the FPDS reporting requirements have been revised to also:

1. Distinguish awards resulting from solicitations issued under the Program from awards resulting from solicitations issued prior to January 1, 1989, in the four designated industry groups. A distinction must be made between contract actions awarded from solicitations issued under the Program and contract actions awarded from solicitations issued prior to January 1, 1989.

2. Distinguish emerging small business firms from other small businesses.

Participating agencies must make a good faith effort to award not less than 15 percent of the dollar value of awards in the four designated industry groups to emerging small businesses.

3. Distinguish awards to emerging small business firms in the small business reserve program. Participating agencies must reserve for exclusive competition among emerging small business concerns all contracts of \$25,000 or less in the four designated industry groups or a greater amount set by OFPP if the 15 percent goal is not attained. Emerging small businesses can also receive awards above the small business reserve threshold.

4. Provide the size of the small business concern in terms of number of employees or dollar volume of sales for awards in the four designated industry categories and ten targeted industry categories. Section 714(c) of the Small Business Competitiveness Demonstration Program Act requires each participating agency to collect data pertaining to the size of the small business concern receiving any award for services in the four designated industry groups and products or services in the ten targeted industry categories. The number of employees shall be based on the average of the pay periods for the last twelve months. The volume of sales shall be based on the average annual gross revenue for the last three fiscal years (See FAR 19.101).

5. Limit A&E services to contracts awarded under the qualification-based selection procedures of 40 U.S.C. 541 et seq. (the "Brooks A-E Act").

6. Specific details outlining the FPDS changes have been included in the FPDS Reporting Manual (September 1997).

B. Awards of \$25,000 or less

Each award of \$25,000 or less made by a participating agency for the procurement of a service in the four designated industry groups shall be reported to the Federal Procurement Data Center in the same manner as if the award was in excess of \$25,000. This means that all applicable data collected in the FPDS via the Individual Contract Action Report (SF 279), or agencies' equivalent computer-generated format, shall be

reported for these purchases. It should be noted that awards of \$500 or less are not reportable to the FPDS.

Specific details outlining the FPDS changes have been included in the FPDS Reporting Manual (September 1997).

**Report on Small Business Participation under the
Small Business Competitiveness Demonstration Program
for Designated Industry Groups**

Fiscal Year _____ Quarter _____

Agency: _____

Subagency (if applicable) _____

I. Construction, excluding dredging (Dollars in Thousands; Percentage in Whole Numbers)

Designated Groups	Total US Business Actions/Dollars	Small Business Actions/Dollars*	Percentage of Dollars	Small Disadvantaged Business Actions/Dollars	Percentage of Dollars	Emerging Small Business Actions/Dollars	Percentage of Dollars
SIC Group 15							
1521							
1522							
1531							
1541							
1542							
Subtotal							
SIC Group 16							
1611							
1622							
1623							
1629							
Subtotal							

Designated Groups	Total US Business Actions/Dollars	Small Business Actions/Dollars*	Percentage of Dollars	Small Disadvantaged Business Actions/Dollars	Percentage of Dollars	Emerging Small Business Actions/Dollars	Percentage of Dollars
SIC Group 17							
1711							
1721							
1731							
1741							
1742							
1743							
1751							
1752							
1761							
1771							
1781							
1791							
1793							
1794							
1795							
1796							
1799							
Subtotal							
Grand Total							

II. Refuse Systems and Related Services (Dollars in Thousands; Percentages in Whole Numbers)

PSC S205

Total

III. Architectural and Engineering Services, including mapping and surveying
(Dollars in Thousands; Percentages in Whole Numbers)

Designated Groups	Total US Business Actions/Dollars	Small Business Actions/Dollars*	Percentage of Dollars	Small Disadvantaged Business Actions/Dollars	Percentage of Dollars	Emerging Small Business Actions/Dollars	Percentage of Dollars
SIC 7389:							
PSC T002							
PSC T004							
PSC T008							
PSC T009							
PSC T014							
Subtotal							
SIC 8711 or SIC 8712 or 8713							
PSC C111							
PSC C112							
PSC C113							
PSC C114							
PSC C115							
PSC C116							
PSC C117							
PSC C118							
PSC C119							
PSC C121							
PSC C122							
PSC C123							
PSC C124							
PSC C129							
PSC C130							

Designated Groups	Total US Business Actions/Dollars	Small Business Actions/Dollars*	Percentage of Dollars	Small Disadvantaged Business Actions/Dollars	Percentage of Dollars	Emerging Small Business Actions/Dollars	Percentage of Dollars
PSC C211							
PSC C212							
PSC C213							
PSC C214							
PSC C215							
PSC C216							
PSC C219							
PSC R404							
Subtotal							
Grand Total							

IV. Non-nuclear Ship Repair (Dollars in Thousands; Percentages in Whole Numbers)

SIC 3731:
PSC J998
PSC J999

Total

* Small Business Dollars include dollars to Emerging Small Businesses.

Report Agency: DEPARTMENT OF THE INTERIOR

1. CONSTRUCTION (excludes Dredging Y216 & Z216)

DIGs SIC Code	TOTAL BUSINESS			SMALL BUSINESS			% TOTAL DOLLARS			SM/DISADV. BUS			% TOTAL DOLLARS			EMERGING SM/BUS.			% TOTAL DOLLARS		
	Actions	Dollars		Actions	Dollars		Dollars			Actions	Dollars		Dollars			Actions	Dollars		Dollars		
1521 -	9	\$259,508		7	\$269,023		\$269,023	103.7%		3	\$147,675		\$147,675	56.9%		5	\$187,065		\$187,065	72.1%	
1522 -	33	\$3,034,086		33	\$3,034,086		\$3,034,086	100.0%		21	\$145,503		\$145,503	4.8%		23	\$2,950,181		\$2,950,181	97.2%	
1531 -	0	\$0		0	\$0		\$0	0.0%		0	\$0		\$0	0.0%		0	\$0		\$0	0.0%	
1541 -	65	\$1,695,942		62	\$1,640,108		\$1,640,108	96.7%		4	\$3,942		\$3,942	0.2%		25	\$380,087		\$380,087	22.4%	
1542 -	368	\$47,262,817		310	\$36,787,630		\$36,787,630	77.8%		56	\$7,579,846		\$7,579,846	16.0%		206	\$23,023,907		\$23,023,907	48.7%	
Subtotal...	475	\$52,252,353		412	\$41,730,847		\$41,730,847	79.9%		84	\$7,876,966		\$7,876,966	15.1%		259	\$26,541,240		\$26,541,240	50.8%	
1611 -	153	\$17,620,224		121	\$10,749,667		\$10,749,667	61.0%		40	\$4,083,926		\$4,083,926	23.2%		98	\$7,026,474		\$7,026,474	39.9%	
1622 -	10	\$2,395,533		8	\$884,033		\$884,033	36.9%		2	\$15,860		\$15,860	0.7%		4	\$85,590		\$85,590	3.6%	
1623 -	121	\$13,604,764		116	\$13,188,594		\$13,188,594	96.9%		27	\$4,864,099		\$4,864,099	35.8%		89	\$8,342,180		\$8,342,180	61.3%	
1629 -	1219	\$117,416,735		982	\$75,920,460		\$75,920,460	64.7%		133	\$26,497,103		\$26,497,103	22.6%		698	\$41,038,240		\$41,038,240	35.0%	
Subtotal...	1,503	\$151,037,256		1,227	\$100,742,754		\$100,742,754	66.7%		202	\$35,460,988		\$35,460,988	23.5%		889	\$56,492,484		\$56,492,484	37.4%	
1711 -	61	\$2,183,926		54	\$1,670,875		\$1,670,875	76.5%		10	\$603,354		\$603,354	27.6%		46	\$1,220,326		\$1,220,326	55.9%	
1721 -	51	\$816,961		50	\$816,803		\$816,803	100.0%		19	\$417,867		\$417,867	51.1%		42	\$658,990		\$658,990	80.7%	
1731 -	32	\$1,229,556		31	\$1,157,356		\$1,157,356	94.1%		15	\$970,142		\$970,142	78.9%		26	\$1,083,576		\$1,083,576	88.1%	
1741 -	15	\$881,959		14	\$852,109		\$852,109	96.6%		10	\$751,769		\$751,769	85.2%		12	\$292,479		\$292,479	33.2%	
1742 -	3	\$27,136		3	\$27,136		\$27,136	100.0%		0	\$0		\$0	0.0%		3	\$27,136		\$27,136	100.0%	
1743 -	5	\$63,110		5	\$63,110		\$63,110	100.0%		2	\$33,600		\$33,600	53.2%		3	\$29,510		\$29,510	46.8%	
1751 -	13	\$108,642		13	\$108,642		\$108,642	100.0%		0	\$0		\$0	0.0%		12	\$42,528		\$42,528	39.1%	
1752 -	5	\$27,800		5	\$27,800		\$27,800	100.0%		1	\$1,713		\$1,713	6.2%		5	\$27,800		\$27,800	100.0%	
1761 -	125	\$2,899,001		93	\$2,219,907		\$2,219,907	76.6%		24	\$491,197		\$491,197	16.9%		84	\$1,922,304		\$1,922,304	66.3%	
1771 -	35	\$1,733,038		28	\$1,008,247		\$1,008,247	58.2%		4	\$150,703		\$150,703	8.7%		24	\$445,531		\$445,531	25.7%	
1781 -	40	\$497,268		39	\$459,133		\$459,133	92.3%		1	\$7,335		\$7,335	1.5%		33	\$451,800		\$451,800	90.9%	
1791 -	5	\$87,386		5	\$87,386		\$87,386	100.0%		0	\$0		\$0	0.0%		5	\$87,386		\$87,386	100.0%	
1793 -	2	\$36,598		2	\$36,598		\$36,598	100.0%		0	\$0		\$0	0.0%		1	(\$972)		(\$972)	-2.7%	
1794 -	10	\$945,954		10	\$945,954		\$945,954	100.0%		1	\$142,070		\$142,070	15.0%		10	\$945,954		\$945,954	100.0%	
1795 -	9	\$223,679		7	\$223,679		\$223,679	100.0%		1	\$117,380		\$117,380	52.5%		6	\$219,810		\$219,810	98.3%	
1796 -	23	\$2,813,847		13	\$1,843,027		\$1,843,027	65.5%		0	\$0		\$0	0.0%		9	\$1,808,259		\$1,808,259	64.3%	
1799 -	160	\$3,555,112		156	\$3,512,517		\$3,512,517	98.8%		17	\$340,199		\$340,199	9.6%		125	\$2,820,072		\$2,820,072	79.3%	
Subtotal...	594	\$18,130,973		528	\$15,060,279		\$15,060,279	83.1%		105	\$4,027,329		\$4,027,329	22.2%		446	\$12,082,489		\$12,082,489	66.6%	
TOTAL...	2572	\$221,420,582		2167	\$157,533,880		\$157,533,880	71.1%		391	\$47,365,283		\$47,365,283	21.4%		1594	\$95,116,213		\$95,116,213	43.0%	

2. REFUSE SYSTEMS and RELATED SERVICES

DIGs	TOTAL BUSINESS		SMALL BUSINESS		% TOTAL DOLLARS	SM/DISADV. BUS		% TOTAL DOLLARS	EMERGING SM/BUS.		% TOTAL DOLLARS
PSC Code	Actions	Dollars	Actions	Dollars		Actions	Dollars		Actions	Dollars	
S205 -	71	\$718,175	45	\$292,459	40.7%	2	\$70,000	9.7%	34	\$350,960	48.9%

3. ARCHITECTURAL & ENGINEERING SERVICES (Inc. Mapping & Surveying)

DIGs	TOTAL BUSINESS			SMALL BUSINESS			% TOTAL			SM/DISADV. BUS			% TOTAL			EMERGING SM/BUS.			% TOTAL		
PSC Code	Actions	Dollars		Actions	Dollars		DOLLARS			Actions	Dollars		DOLLARS			Actions	Dollars		DOLLARS		
T002 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
T004 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
T008 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
T009 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
T014 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
Subtotal...	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C111 -	5	\$290,716		5	\$290,716		100.0%	\$0		0	\$0		0.0%	\$0		3	\$101,457		34.9%	\$0	
C112 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C113 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C114 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C115 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C116 -	7	\$133,393		5	\$89,306		66.9%	\$0		0	\$0		0.0%	\$0		5	\$89,306		66.9%	\$0	
C117 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C118 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C119 -	32	\$1,091,491		23	\$1,072,036		98.2%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C121 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C122 -	6	\$177,371		5	\$168,763		95.1%	\$0		1	\$1,500		0.8%	\$0		4	\$160,783		90.6%	\$0	
C123 -	3	\$22,310		3	\$22,310		100.0%	\$0		0	\$0		0.0%	\$0		3	\$22,310		100.0%	\$0	
C124 -	5	\$135,315		4	\$107,500		79.4%	\$0		0	\$0		0.0%	\$0		1	\$13,500		10.0%	\$0	
C129 -	26	\$826,847		10	\$470,755		56.9%	\$0		0	\$0		0.0%	\$0		7	\$245,831		29.7%	\$0	
C130 -	3	\$169,436		1	\$129,660		76.5%	\$0		1	\$129,660		76.5%	\$0		1	\$129,660		76.5%	\$0	
C211 -	536	\$19,366,299		157	\$4,595,190		23.7%	\$0		11	\$680,057		3.5%	\$0		29	\$1,416,959		7.3%	\$0	
C212 -	1	\$16,228		1	\$16,228		100.0%	\$0		0	\$0		0.0%	\$0		1	\$16,228		100.0%	\$0	
C213 -	6	\$515,866		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C214 -	0	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C215 -	9	\$86,649		9	\$86,649		100.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C216 -	3	\$48,021		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0		0	\$0		0.0%	\$0	
C219 -	223	\$7,759,882		70	\$937,285		12.1%	\$0		9	\$79,900		1.0%	\$0		19	\$389,362		5.0%	\$0	
Subtotal...	865	\$30,639,824		293	\$7,986,398		26.1%	\$0		22	\$891,117		2.9%	\$0		\$73	\$2,585,396		8.4%	\$0	
R404 -	17	\$283,412		10	\$158,258		55.8%	\$0		0	\$0		0.0%	\$0		6	\$133,487		47.1%	\$0	
TOTAL...	882	\$30,923,236		303	\$8,144,656		26.3%	\$0		22	\$891,117		2.9%	\$0		79	\$2,718,883		8.8%	\$0	

4. NON-NUCLEAR SHIP REPAIR

DIGs	TOTAL BUSINESS		SMALL BUSINESS		% TOTAL DOLLARS		SM/DISADV. BUS		% TOTAL DOLLARS		EMERGING SM/BUS.		% TOTAL DOLLARS	
	PSC Code	Actions	Dollars	Actions	Dollars		Actions	Dollars			Actions	Dollars		
	J998	-	0	0	\$0	0.0%	0	0	\$0	0.0%	0	0	\$0	0.0%
	J999	-	0	0	\$0	0.0%	0	0	\$0	0.0%	0	0	\$0	0.0%
	TOTAL...	0	\$0	0	\$0	0.0%	0	0	\$0	0.0%	0	0	\$0	0.0%

TICs PSC Code	TOTAL BUSINESS		SMALL BUSINESS		% TOTAL DOLLARS		SM/DISADV. BUS		% TOTAL DOLLARS		EMERGING SM/BUS.		% TOTAL DOLLARS
	Actions	Dollars	Actions	Dollars	Actions	Dollars	Actions	Dollars	Actions	Dollars	Actions	Dollars	
4310 -	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0.0%
4330 -	2	\$47,000	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0.0%
6770 -	13	\$809,658	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0.0%
7010 -	64	\$7,853,658	19	\$2,747,477	35.0%	\$2,747,477	10	\$908,025	11.6%	\$908,025	0	\$0	0.0%
7021 -	36	\$1,439,294	13	\$289,424	20.1%	\$289,424	8	\$92,469	6.4%	\$92,469	0	\$0	0.0%
B526 -	15	\$2,862,847	1	\$0	0.0%	\$0	0	\$0	0.0%	\$0	0	\$0	0.0%
B534 -	5	\$109,007	0	\$0	0.0%	\$0	0	\$0	0.0%	\$0	0	\$0	0.0%
D301 -	136	\$19,571,796	86	\$5,480,926	28.0%	\$5,480,926	83	\$5,340,701	27.3%	\$5,340,701	0	\$0	0.0%
U006 -	5	\$92,204	5	\$92,204	100.0%	\$92,204	1	\$89,000	96.5%	\$89,000	0	\$0	0.0%
V222 -	6	\$146,293	3	\$43,247	29.6%	\$43,247	0	\$0	0.0%	\$0	0	\$0	0.0%
Subtotal...	282	\$32,931,757	127	\$8,653,278	26.3%	\$8,653,278	102	\$6,430,195	19.5%	\$6,430,195	0	\$0	0.0%

DESIGNATED INDUSTRY GROUPS KEY

Construction SIC code: 1796 -- Installation of building equipment, not elsewhere classified

Architectural and Engineering (A-E) services product/service codes:

C111 -- Administrative and service buildings

C121 -- Conservation and Development

C123 -- Electric power generation

C129 -- Other non-building structures

C211 -- A-E services, non-construction

C212 -- Engineering drafting services

C214 -- A-E management engineering services

C216 -- Marine A-E services

C219 -- Other Architect and Engineering services

(SIC codes 8711, 8712 or 8713)